

Project Investment Justification

DES Microsoft Enterprise Agreement

Extension for FY20/FY21

DE20022

Department of Economic Security

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1. GENERAL INFORMATION

PIJ ID: DE20022

PIJ Name: DES Microsoft Enterprise Agreement Extension for FY20/FY21

Account: Department of Economic Security

Business Unit Requesting: Department of Economic Security (DES) / Division of Technology Services (DTS)

Sponsor: Chuck Buckley

Sponsor Title: Deputy CIO/Chief of IT Operations

Sponsor Email: cbuckley@azdes.gov

Sponsor Phone: (602) 774-8847

2. MEETING PRE-WORK

2.1 What is the operational issue or business need that the Agency is trying to solve? (i.e....current process is manual, which increases resource time/costs to the State/Agency, and leads to errors...):

As one of the largest agencies in the State of Arizona, Department of Economic Security (DES) challenge to migrate away from Microsoft products is unique. Combined with agency vacancies in both the Director and CIO positions for most of FY20, the strategy and other decisions in regard to Microsoft Business cases/Google Migration Plans have been on hold pending fulfillment of these roles so that the decision can be led at the appropriate level. For these as well as the other justifications provided, DES feels that extending the current Microsoft Enterprise agreement makes the most sense from an agency business continuity perspective.

2.2 How will solving this issue or addressing this need benefit the State or the Agency?

With the extension of the existing DES Microsoft Enterprise Agreement by one year, DES will have the ability to maintain current service levels and will provide DES Division of Technology Services (DTS) time to assess current Microsoft licenses. The additional time will also allow DES the ability to determine an accurate count of necessary use cases, and produce a Google Migration Plan feasibility.

2.3 Describe the proposed solution to this business need.

This request is limited to an extension of the current DES Microsoft Enterprise Agreement, through our current Software Value Added Reseller (SVAR), CDW-G. The intent during this extension will be to assess future DES strategy as it relates to Microsoft products, prepare Business and User cases to support this strategy, and prepare for a renewal with Microsoft under the State Procurement Office (SPO) agreement vehicle administered through the vendor SHI for Fiscal Year 2022 (FY22).

As the current DES Enterprise Agreement is administered through CDW-G, a quote/Microsoft workbook is attached to support financial documentation requirements.

Quote does not include tax.

Approved by Chuck Buckley by direction from Paula Mattingly on 6/12/2020.

Approved by Michael Wisheart, DES Director on 6/11/20.

2.4 Has the existing technology environment, into which the proposed solution will be implemented, been documented?

Yes

2.4a Please describe the existing technology environment into which the proposed solution will be implemented.

2.5 Have the business requirements been gathered, along with any technology requirements that have been identified?

No

2.5a Please explain below why the requirements are not available.

Not a development of software PIJ. N/A

3. PRE-PIJ/ASSESSMENT

3.1 Are you submitting this as a Pre-PIJ in order to issue a Request for Proposal (RFP) to evaluate options and select a solution that meets the project requirements?

No

3.1a Is the final Statement of Work (SOW) for the RFP available for review?

3.2 Will you be completing an assessment/Pilot/RFP phase, i.e. an evaluation by a vendor, 3rd party or your agency, of the current state, needs, & desired future state, in order to determine the cost, effort, approach and/or feasibility of a project?

No

3.2a Describe the reason for completing the assessment/pilot/RFP and the expected deliverables.

3.2b Provide the estimated cost, if any, to conduct the assessment phase and/or Pilot and/or RFP/solicitation process.

3.2e Based on research to date, provide a high-level cost estimate to implement the final solution.

4. PROJECT

4.1 Does your agency have a formal project methodology in place?

Yes

4.2 Describe the high level makeup and roles/responsibilities of the Agency, Vendor(s) and other third parties (i.e. agency will do...vendor will do...third party will do).

For clarity, this is only an extension of the existing DES Microsoft Licensing Agreement; DES - DTS will be asked to sign some basic acknowledgment for the one-year extension, and then continue to manage license requests based on agency needs through a quarterly True-up model for payments.

4.3 Will a PM be assigned to manage the project, regardless of whether internal or vendor provided?

Yes

4.3a If the PM is credentialed, e.g., PMP, CPM, State certification etc., please provide certification information.

4.4 Is the proposed procurement the result of an RFP solicitation process?

No

4.5 Is this project referenced in your agency's Strategic IT Plan?

Yes

5. SCHEDULE

5.1 Is a project plan available that reflects the estimated Start Date and End Date of the project, and the supporting Milestones of the project?

No

5.2 Provide an estimated start and finish date for implementing the proposed solution.

Est. Implementation Start Date

6/30/2020 12:00:00 AM

Est. Implementation End Date

7/31/2020 12:00:00 AM

5.3 How were the start and end dates determined?

Other

5.3a List the expected high level project tasks/milestones of the project, e.g., acquire new web server, develop software interfaces, deploy new application, production go live, and estimate start/finish dates for each, if known.

Milestone / Task	Estimated Start Date	Estimated Finish Date
Order Licenses and receive	06/30/20	07/31/20

5.4 Have steps needed to roll-out to all impacted parties been incorporated, e.g. communications, planned outages, deployment plan?

Yes

5.5 Will any physical infrastructure improvements be required prior to the implementation of the proposed solution. e.g., building reconstruction, cabling, etc.?

No

5.5a Does the PIJ include the facilities costs associated with construction?

5.5b Does the project plan reflect the timeline associated with completing the construction?

6. IMPACT

6.1 Are there any known resource availability conflicts that could impact the project?

No

6.1a Have the identified conflicts been taken into account in the project plan?

6.2 Does your schedule have dependencies on any other projects or procurements?

No

6.2a Please identify the projects or procurements.

6.3 Will the implementation involve major end user view or functionality changes?

No

6.4 Will the proposed solution result in a change to a public-facing application or system?

No

7. BUDGET

7.1 Is a detailed project budget reflecting all of the up-front/startup costs to implement the project available, e.g, hardware, initial software licenses, training, taxes, P&OS, etc.?

No

7.2 Have the ongoing support costs for sustaining the proposed solution over a 5-year lifecycle, once the project is complete, been determined, e.g., ongoing vendor hosting costs, annual maintenance and support not acquired upfront, etc.?

No

7.3 Have all required funding sources for the project and ongoing support costs been identified?

Yes

7.4 Will the funding for this project expire on a specific date, regardless of project timelines?

Yes

7.5 Will the funding allocated for this project include any contingency, in the event of cost over-runs or potential changes in scope?

No

8. TECHNOLOGY

8.1 Please indicate whether a statewide enterprise solution will be used or select the primary reason for not choosing an enterprise solution.

The project is using a statewide enterprise solution

8.2 Will the technology and all required services be acquired off existing State contract(s)?

Yes

8.3 Will any software be acquired through the current State value-added reseller contract?

Yes

8.3a Describe how the software was selected below:

The existing DES Microsoft EA is purchased through CDW-G, so there is no change for this Extension request.

8.4 Does the project involve technology that is new and/or unfamiliar to your agency, e.g., software tool never used before, virtualized server environment?

No

8.5 Does your agency have experience with the vendor (if known)?

Yes

8.6 Does the vendor (if known) have professional experience with similar projects?

Yes

8.7 Does the project involve any coordination across multiple vendors?

No

8.8 Does this project require multiple system interfaces, e.g., APIs, data exchange with other external application systems/agencies or other internal systems/divisions?

No

8.9 Have any compatibility issues been identified between the proposed solution and the existing environment, e.g., upgrade to server needed before new COTS solution can be installed?

No

8.9a Describe below the issues that were identified and how they have been/will be resolved, or whether an ADOA-ASET representative should contact you.

8.10 Will a migration/conversion step be required, i.e., data extract, transformation and load?

No

8.11 Is this replacing an existing solution?

No

8.11a Indicate below when the solution being replaced was originally acquired.

8.11b Describe the planned disposition of the existing technology below, e.g., surplus, retired, used as backup, used for another purpose:

8.12 Describe how the agency determined the quantities reflected in the PIJ, e.g., number of hours of P&OS, disk capacity required, number of licenses, etc. for the proposed solution?

Review of current Microsoft Licenses and review of DES needs for the next year.

8.13 Does the proposed solution and associated costs reflect any assumptions regarding projected growth, e.g., more users over time, increases in the amount of data to be stored over 5 years?

Yes

8.14 Does the proposed solution and associated costs include failover and disaster recovery contingencies?

Yes

8.14a Please select why failover and disaster recovery is not included in the proposed solution.

8.15 Will the vendor need to configure the proposed solution for use by your agency?

No

8.15a Are the costs associated with that configuration included in the PIJ financials?

8.16 Will any app dev or customization of the proposed solution be required for the agency to use the project in the current/planned tech environment, e.g. a COTS app that will req custom programming, an agency app that will be entirely custom developed?

No

8.16a Will the customizations inhibit the ability to implement regular product updates, or to move to future versions?

8.16b Describe who will be customizing the solution below:

8.16c Do the resources that will be customizing the application have experience with the technology platform being used, e.g., .NET, Java, Drupal?

8.16d Please select the application development methodology that will be used:

8.16e Provide an estimate of the amount of customized development required, e.g., 25% for a COTS application, 100% for pure custom development, and describe how that estimate was determined below:

8.16f Are any/all Professional & Outside Services costs associated with the customized development included in the PIJ financials?

8.17 Have you determined that this project is in compliance with all applicable statutes, regulations, policies, standards & procedures, incl. those for network, security, platform, software/application &/or data/info found at aset.az.gov/resources/psp?

Yes

8.17a Describe below the compliance issues that were identified and how they have been/will be resolved, or whether an ADOA-ASET representative should contact you:

8.18 Are there other high risk project issues that have not been identified as part of this PIJ?

No

8.18a Please explain all unidentified high risk project issues below:

9. SECURITY

9.1 Will the proposed solution be vendor-hosted?

No

9.1a Please select from the following vendor-hosted options:

9.1b Describe the rationale for selecting the vendor-hosted option below:

9.1c Has the agency been able to confirm the long-term viability of the vendor hosted environment?

9.1d Has the agency addressed contract termination contingencies, e.g., solution ownership, data ownership, application portability, migration plans upon contract/support termination?

9.1e Has a Conceptual Design/Network Diagram been provided and reviewed by ASET-SPR?

9.1f Has the spreadsheet located at <https://aset.az.gov/arizona-baseline-security-controls-excel> already been completed by the vendor and approved by ASET-SPR?

9.2 Will the proposed solution be hosted on-premise in a state agency?

No

9.2a Where will the on-premise solution be located:

9.2b Were vendor-hosted options available and reviewed?

9.2c Describe the rationale for selecting an on-premise option below:

9.2d Will any data be transmitted into or out of the agency's on-premise environment or the State Data Center?

9.3 Will any PII, PHI, CGIS, or other Protected Information as defined in the 8110 Statewide Data Classification Policy be transmitted, stored, or processed with this project?

No

9.3a Describe below what security infrastructure/controls are/will be put in place to safeguard this data:

10. AREAS OF IMPACT

Application Systems

Database Systems

Software

Other

Microsoft Extension of licenses

Hardware

Hosted Solution (Cloud Implementation)

Security

Telecommunications

Enterprise Solutions

Contract Services/Procurements

11. FINANCIALS

Description	PIJ Category	Cost Type	Fiscal Year Spend	Quantity	Unit Cost	Extended Cost	Tax Rate	Tax	Total Cost
Microsoft License Extensions	Software	Development	1	1	\$3,079,745	\$3,079,745	860.00 %	\$264,858	\$3,344,603

Base Budget (Available)	Base Budget (To Be Req)	Base Budget % of Project
\$440,258	\$0	13%
APF (Available)	APF (To Be Req)	APF % of Project
\$0	\$0	0%
Other Appropriated (Available)	Other Appropriated (To Be Req)	Other Appropriated % of Project
\$9,873	\$0	0%
Federal (Available)	Federal (To Be Req)	Federal % of Project
\$1,139,553	\$0	34%
Other Non-Appropriated (Available)	Other Non-Appropriated (To Be Req)	Other Non-Appropriated % of Project
\$1,754,919	\$0	52%

Total Budget Available	Total Development Cost
\$3,344,603	\$3,344,603
Total Budget To Be Req	Total Operational Cost
\$0	\$0
Total Budget	Total Cost
\$3,344,603	\$3,344,603

12. PROJECT SUCCESS

Please specify what performance indicator(s) will be referenced in determining the success of the proposed project (e.g. increased productivity, improved customer service, etc.)? (A minimum of one performance indicator must be specified)

Please provide the performance objective as a quantifiable metric for each performance indicator specified.

Note: The performance objective should provide the current performance level, the performance goal, and the time period within which that performance goal is intended to be achieved. You should have an auditable means to measure and take corrective action to address any deviations.

Example: Within 6 months of project completion, the agency would hope to increase "Neighborhood Beautification" program registration by 20% (3,986 registrants) from the current registration count of 19,930 active participants.

Performance Indicators

This Extension will maintain current business levels; DES will perform Google product migration feasibility and strategy during the Extension period.

13. CONDITIONS

Conditions for Approval

1. Should development costs exceed the approved estimates by 10% or more, or should there be significant changes to the proposed technology scope of work or implementation schedule, the Agency must amend the PIJ to reflect the changes and submit it to ADOA-ASET, and ITAC if required, for review and approval prior to further expenditure of funds.

2. DES will provide a Google Adoption/Implementation plan to ADOA-ASET within a 180 days after PIJ approval; they will also provide updates regarding progress made with the plan and include it with the required monthly status reports submitted to ADOA-ASET.

14. OVERSIGHT SUMMARY

Project Background

Department of Economic Security (DES) is one of the largest agencies in the state of Arizona that provides various client services to ensure residents in the State are economically secure. This past year, the agency Director and Chief Information Officer positions were vacated making it difficult for DES Division of Technology Services (DTS) to strategize a plan to migrate to Google.

This project will extend the Microsoft licenses for one year allowing DES time to assess current licenses, then strategize and develop a google migration and implementation plan with the proper direction of the agency Director and CIO.

Business Justification

The microsoft licenses will allow the agency to continue business operations and accessing critical documents while a migration plan is developed. With the additional year of licensing, DES DTS will have time to accurately determine which Microsoft licenses are mandatory to the agency and/or individual users. In addition, the agency will be able to migrate to google with the authority, guidance, and support of the agency Director and CIO

Implementation Plan

The Agency will manage license requests based on agency needs and work with ADOA-ASET to develop a google adoption/migration plan.

The vendor will be responsible for providing a one year contract and licenses to the agency.

Vendor Selection

Microsoft currently provides licenses to DES, this project will extend the Microsoft licenses for one year.

Budget or Funding Considerations

This project is being funded by 13% Base Budget, 34% Federal Budget, and 53% Other Appropriated funds. Tax is not included on the quote but is included in the financial section of the PIJ.

15. PIJ REVIEW CHECKLIST

Agency Project Sponsor

Chuck Buckley

Agency CIO (or Designee)

Paula Mattingly by Chuck Buckley

Agency ISO (or designee)

Todd Luther

OSP Representative

ASET Engagement Manager

Soody Saed

ASET SPR Representative

Thomas Considine

Agency SPO Representative

Agency CFO

Jonathan Lucke by Kori Kappes
